

If a hearing is requested by Ms. Hollingsworth or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), Maria Hollingsworth, or any other person adversely affected by this Order may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be effective and final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Part IV shall be final when the extension expires if a hearing request has not been received. An answer or a request for a hearing shall not stay the immediate effectiveness of this Order.

Dated at Rockville, Maryland this 3rd day of August 1995.

For the Nuclear Regulatory Commission
James Lieberman,
Director, Office of Enforcement.
[FR Doc. 95-20241 Filed 8-15-95; 8:45 am]
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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-36081; File No. SR-Amex-94-30]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange, Inc. Relating to Transaction Charges

August 10, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on July 21, 1995, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is

publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange has made a determination to waive Exchange transaction charges for proprietary equity trades effected on the Floor by Registered Equity Market Makers ("REMMs").

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

In 1991, for the first time, the Exchange imposed transaction charges on proprietary equity trades by members and member organizations. While these charges were waived for proprietary trades of equity specialists to facilitate their market making function, members trading on the Floor as REMMs were not similarly exempted.

REMMs are members that trade on a proprietary basis on the Floor in designated equity securities. Exchange Rule 114 sets forth the obligations and requirements under which REMMs are permitted to conduct such proprietary trading on the Floor. When trading in their designated securities, REMMs are required under the Rule to contribute to the maintenance of a fair and orderly market in such securities. REMMs also are required to engage in dealings in such securities which contribute to price continuity or depth or minimize the effects of a temporary disparity between the supply and demand for such securities. Thus, while not subject to a specialist's continuous market making obligation, when REMMs effect proprietary equity trades on the Floor, they are required to comply with the same market making obligations as specialists.

In view of this requirement to comply with market making obligations similar to those of specialists, the Exchange believes that REMMs should be treated the same as specialists with respect to transaction charges on proprietary equity trades. Accordingly, the Exchange has made a determination, as it did with specialists, to waive transaction charges on proprietary equity trades effected by REMMs to facilitate their market making function.

Although the Exchange currently has 30 members registered to trade as REMMs, less than half that number trade on a regular basis.

2. Statutory Basis

The fee change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(4) in particular in that it is intended to assure the equitable allocation of reasonable dues, fees, and other charges among members, issuers, and other persons using the Exchange's facilities.

B. Self-Regulatory Organization's Statement on Burden on Competition

The fee change will impose no burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments were solicited or received with respect to the fee change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule proposal changes a fee imposed by the Exchange and therefore has become effective pursuant to Section 19(b)(3)(A) of the Act and subparagraph (e) of Rule 19b-4 thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements

with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the Amex. All submissions should refer to File No. SR-Amex-95-30 and should be submitted by September 6, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Margaret H. McFarland,
Deputy Secretary.

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[Release No. 34-36082; File No. SR-CBOE-95-16]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 to the Proposed Rule Change by the Chicago Board Options Exchange, Incorporated, Related by Multi-Market Orders

August 10, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 1, 1995, the Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. On June 22, 1995, the Exchange filed Amendment No. 1 to the proposal.³ The Commission

is publishing this notice of solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Rule 6.48 to specify certain duties of CBOE members in effecting an option transaction on the CBOE that is part of a combined stock-option order. The text of the proposed rule change is available at the Office of the Secretary, the Exchange, and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Section (A), (B), and (C) below, of the most significant aspects of such statements.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of the proposed rule change is to set forth in existing CBOE Rule 6.48 the duties of CBOE members executing an options order that is a component of a "package" stock-option order, the execution of which involves transactions in CBOE's option market and in another market (a "multi-market" order), and to specify the sole basis on which an options trade that is a component of a multi-market order may be cancelled by the members that are parties thereto. The proposed rule change would also make it inconsistent with just and equitable principles of trade, and consequently a violation of Exchange Rule 4.1, for a member to fail to fulfill the new requirements.

CBOE Rule 6.48 currently provides that bids or offers made and accepted in accordance with Exchange rules constitute binding contracts, but the Rule does not address the execution and cancellation of complex multi-market orders. Because such orders have become more prevalent at the CBOE as

but are not limited to, a sudden change in the price of the underlying securities prior to execution of the stock trade, and a trading halt or systems failure that precludes immediate execution of the stock trade at the agreed upon price. See Letter from Dan Schneider, Attorney, Schiff Hardin & Waite, to John Ayanian, Attorney, OMS, Market Regulation, Commission, dated June 30, 1995.

trading strategies have become more intricate, and because such orders involve concurrent executions at the CBOE and in markets other than the CBOE, the Exchange proposes to adopt new paragraph (b) to Rule 6.48. The Exchange believes that this amendment should establish well-defined conditions and requirements in its Rules that members must observe in executing and cancelling such transactions.

Proposed CBOE Rule 6.48(b) would apply to stock-option combination orders,⁴ other than orders respecting index options,⁵ and would impose two requirements on CBOE members who are parties to a stock-option combination order. First, a member announcing such an order to a trading crowd must disclose all legs of the order and must identify the specific markets and prices at which the non-option leg(s) are to be filled. Second, concurrent with the execution of the option leg of any multi-market order, the initiating member and each member that is a counterpart to the trade must take steps immediately to execute the non-option leg(s) in the identified market(s). Because both of these requirements are essential to fair and efficient order execution, proposed new paragraph (c) of Rule 6.48 would provide that any failure to observe either requirement will constitute a violation of CBOE's Rule 4.1, which prohibits conduct inconsistent with just and equitable principles of trade. The Exchange believes that these new provisions will clarify members' expectations about the execution of multi-market orders covered by the proposed rule and will promote prompt execution of each non-option component of such orders.

In addition to establishing requirements incident to execution, the proposed rule change sets forth one exclusive basis on which members may cancel an executed option transaction that is part of a multi-market order. Proposed Rule 6.48(b)(ii) indicates that

⁴ A stock-option order is an order to buy or sell a stated number of units of an underlying or a related security coupled with either (a) the purchase or sale of option contract(s) of the same series on the opposite side of the market representing the same number of units of the underlying or related security or (b) the purchase and sale of an equal number of put and call option contracts, each having the same exercise price, expiration date and number of units of the underlying or related security, on the opposite side of the market representing in aggregate twice the number of units of the underlying or related security. See CBOE Rule 1.1(ii).

⁵ The CBOE believes that paragraph (iii) of proposed Rule 6.48(b) makes it clear that the proposed rule change will not apply to bids or offers included in combination orders that entail the purchase or sale of index options.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In Amendment No. 1, the Exchange proposes to amend subparagraph (b)(ii) of CBOE Rule 6.48 to clarify that the market conditions that prevent the execution of the non-option leg(s) at the agreed upon price(s) would be the only basis for any one party to a trade representing the options leg of a multi-market order to cancel a trade. See Letter from Michael Meyer, Attorney, Schiff Hardin & Waite, to John Ayanian, Attorney, Office of Market Supervision, Division of Market Regulation, Commission, dated June 22, 1995 ("Amendment No. 1").

The types of "market conditions" arising in a non-CBOE market that would be sufficient under proposed Rule 6.48(b)(ii) to justify cancellation of the CBOE leg(s) of a multi-market order, include,